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PRESS-RELEASE

(Translation from Russian)

The rating of Private JSC «Insurance company 611» is updated

November 16, 2012 at the meeting of the rating committee of RA «Expert-Rating» it was decided to confirm the rating of Private JSC «Insurance company 611» at the level **uaA-** on the national scale according to the results of the Company's activity in the 9 months of 2012. The insurer with rating **uaA-** is characterized by good financial stability compared to other Ukrainian insurance companies.

Table 1

Key performance indicators of Private JSC «Insurance company 611» in the 9 months of 2012

Indicators	9 months of 2012 (01.10.2012)	9 months of 2011 (01.10.2011)	Change	Growth rate, %
Total assets, th. UAH	30614,6	31343	-728,4	-2,32%
Shareholders' equity, th. UAH	28713,2	28689,1	24,1	0,08%
Gross liabilities, th. UAH	1901,4	2653,9	-752,5	-28,35%
Shareholders' equity/Liabilities ratio (the capital adequacy ratio), %	1510,11%	1081,02%	429,09 p.p.	-
Cash and cash equivalents, th. UAH	1642,5	2623,5	-981	-37,39%
Cash and cash equivalents/ Liabilities ratio, %	86,38%	98,85%	-12,47 p.p.	-
Total gross premiums, th. UAH	5320,4	6127	-806,6	-13,16%
Proportion of insurance premiums, belonged to the reinsurers, th. UAH	3676	3164	512	16,18%
Insurance premiums, belonged to the reinsurers/Gross premiums ratio, %	69,09%	51,64%	17,45 p.p.	-
Insurance indemnities and reimbursements, th. UAH	953	1038,8	-85,8	-8,26%
Insurance indemnities/Gross premiums ratio for the period, %	17,91%	16,95%	0,96 p.p.	-
Financial result from operating activities, th. UAH	9,2	121,3	-112,1	-92,42%
ROS, %	0,17%	1,98%	-1,81 p.p.	-
Net profit (loss), th. UAH	8,7	11,5	-2,8	-24,35%
ROE, %	0,03%	0,04%	-0,01 p.p.	-

Source: Data of the Company, calculations by RA «Expert-Rating»

Confirming the rating of the Company, the Agency was guided by the following conclusions:

1. As of 01.10.2012 Private JSC «Insurance company 611» has demonstrated an excess level of capitalization as indicated by the ratio of shareholders' equity to liabilities, which has amounted to 1510,11%. This indicator is explained by a significant excess of shareholders' equity over liabilities of the insurer. Assets of the Company have amounted to UAH 30,61 mln on 01.10.2012.

2. Cash on the accounts of the Company has decreased by 37,39% compared to the same period of past year and on October 01, 2012 has amounted to UAH 1,64 mln. Liabilities have also decreased (by 28,35%), and the liquidity level of the insurer has amounted to 86,38%. This ratio of cash to liabilities of the insurer corresponds to a good level of liquidity and exceeds the market average indicator.

3. Private JSC «Insurance company 611» has managed to collect UAH 5,32 mln of gross premiums in the 9 months of 2012 that is by 13,16% less than the indicator of 2011. At the same time, the proportion of reinsurers in gross premiums of the Company has increased by 16,18% compared to the same period of past year. Insurance indemnities have decreased by 8,26% and has amounted to UAH 953 th. in the 9 months of 2012.

4. Due to the increase in costs of sales the financial result of operating activity of the insurer has decreased in the 9 months of 2012 compared to the result of the 9 months of 2011 and has amounted to UAH 9,2 th. Net profit of Private JSC «Insurance company 611» has amounted to UAH 8,7 th. according to the results of 9 months of 2012.

The indicators analysis of liquidity, capital adequacy and profitability of Private JSC «Insurance company 611» in the 9 months of 2012 has demonstrated a good level of reliability and financial stability of the Company.

Analytical service of RA «Expert-Rating»